



**Fiscal Year 2021
PROPOSED Operating Budget &
Capital Improvement Program**

Reimagine



“in connection with our budget, we have certain inescapable expenditures such as schools, charities, corrections, debt charges, interest on revenue loans, and expenses connected with administration.... With the many and obvious needs of the City, it is difficult to select those which are most pressing.”

James Postell “J.P.” Jervey, City Manager



BLUEPRINTS FOR SUCCESS

City Council Vision



Vision Principles

Portsmouth, Virginia

...A City which celebrates its history while embracing its future

A **prosperous port City** which builds on its assets, its strategic geographic location, its waterways, its rich diversity, its sense of place to create economic opportunity for all of its citizens.

A **lifelong learning City** which fosters education in its broadest sense.

A **safe, friendly City** which values, respects, and protects all of its citizens, visitors, neighborhoods, and businesses.

Guiding Principles

— A compact for leadership —

- Focus on respectful communication.
 - Speak with one voice.
- Share information. No surprises.
 - Lead by example.
 - Commit to teamwork
- Zero tolerance for disrespect.



Reaffirmed during the February 2, 2019 Portsmouth City Council Retreat. Adapted on February 26, 2019.

Managing Priorities

CITY MANAGER'S Guiding Principles

for Portsmouth City Employees
(Based on City Council's Vision Principles)

#1

To create a bright and prosperous future redefined by collaboration, unification, and rededication through citizen and community engagement... creating "The New Portsmouth."

#2

To achieve our city's vision and move in a forward direction characterized by methodical deliberation and expediency with employees who work tirelessly to make the best decisions toward achieving the goals and setting the course.

#3

To ensure cost effectiveness, government efficiency and protection over the city financial resources where employees are courageous decision makers with financial acuity.

Portsmouth City Council's
4 BIG THINGS



Portsmouth City Council Retreat • February 7–8, 2020

Budget Mantra

- **Review**
- **Reflect**
- **Refocus**
- **Restore**
- **Reimagine**



FY 2021 BUDGET OVERVIEW

- **General Fund Budget:**
\$253,957,541 Million
- **Increase of \$5.1 Million or
2.05% increase over FY 2020**
- **Total Proposed Budget:**
\$697,491,260 Million
- **NO REAL ESTATE TAX
INCREASE**

OVERARCHING BUDGET THEME:

Reimagine

Portsmouth City Council's
4 BIG THINGS



Portsmouth City Council Retreat • February 7–8, 2020

PORTSMOUTH THE BEST PLACE FOR BUSINESS



- **Public/Private Partnerships**
- **Create a Business-Friendly Environment**
- **Re-imagine the Downtown Waterfront**
 - Continue the Crawford Gateway Revitalization Initiative
- **Continue Smart City Initiatives**
 - Smart City Infrastructure (Fiber Ring)
 - Smart City Master Plan

PORTSMOUTH THE BEST PLACE TO LIVE



- **Build Stronger Neighborhoods**
- **Continue the Poverty Taskforce Initiative**
- **Re-image Sportsplex, Recreation and Museums Facilities**
- **Re-image City Park and the Links Golfcourse**

TELL THE PORTSMOUTH STORY



- **Image and Marketing Campaigns**

 - I AM Portsmouth

 - Portsmouth Proud

 - Love Where You Live (Anti-Litter Campaign)

 - Events/Attractions Promotion

 - Increased Marketing & Tourism Advertising

LIFELONG LEARNING



- **Education Partnerships**
 - Public Education
 - Higher Education
(Tidewater Community College,
Colleges and Universities)
- **Workforce Development**
 - Internal/External Partners

LIFELONG LEARNING

Workforce Development: Internal Focus & Investment in City Employees

- **Talent Acquisition**
- **Proposed 3% General Wage Increase**

(Excludes employees of constitutional officers and courts, grant funded positions, part-time, temporary, and seasonal employees).





EDUCATION HIGHLIGHTS

LIFELONG LEARNING

Public Education

- \$56,725,696 Million
- \$1,329,651 Million
of new funding

LIFELONG LEARNING (CONTINUED)

Public Education • CIP Projects

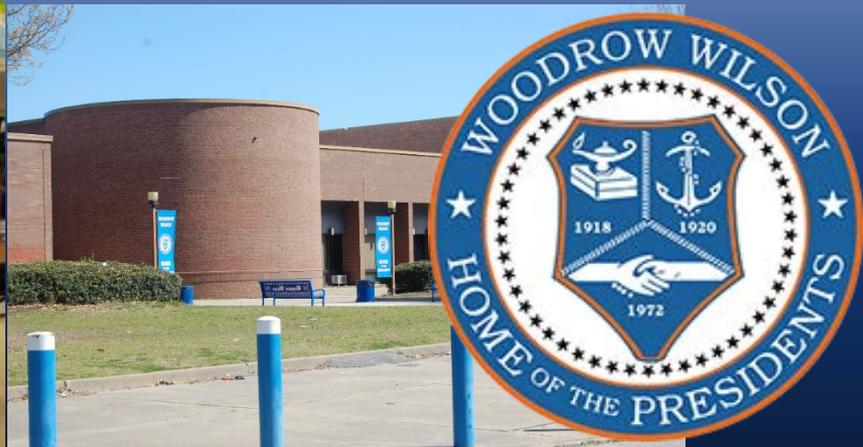
- Over \$23 Million in Ongoing CIP Projects:

HVAC/Cooling: Churchland & Woodrow Wilson High School

Roofs: Hodges Manor & Churchland Academy Elementary Schools,
Mount Hermon Preschool, Woodrow Wilson High School

(Bathroom Renovations)

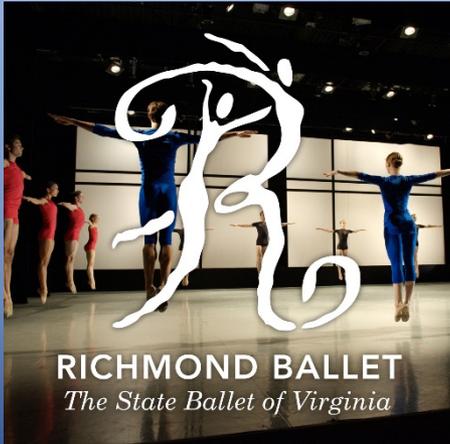
Athletic Items – Tennis Courts & Football Lights: I.C. Norcom High;
Churchland High School Track



LIFELONG LEARNING

Citywide Educational Collaboration

- \$303K for citywide education and cultural arts



FUND BALANCE

- Use of General Fund Balance: \$5.4 Million
- Funding annual OPEB Trust Fund
- One-time Operational and Capital projects
- Fund Balance is maintained at 15% or above General Fund revenues
- Maintain our AA bond credit ratings

CURRENT AGENCY RATINGS

Moody's

Aa2
Stable Outlook

Standard & Poor's

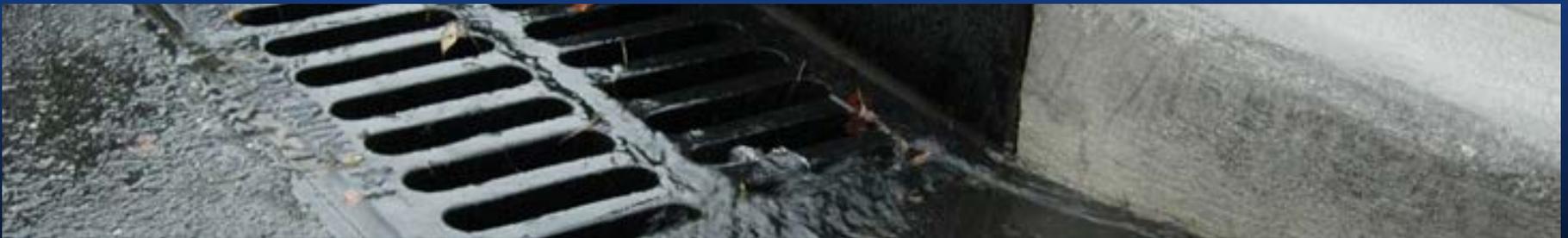
AA
Stable Outlook

Fitch

AA
Stable Outlook

REALIGNMENT OF FEES, RATES AND TAXES

- **Meals Tax: 1% increase**
- **Parking Rates:**
 - \$1.25/hr (weekdays);
 - \$2.00/flat (evenings/weekends);
 - \$3.00/flat (special events)
- **Stormwater Rate: 75¢ increase**
- **Water and Sewer Rate: 9% recurring annual rate**
- **City Park Boat Launch: \$5 fee**

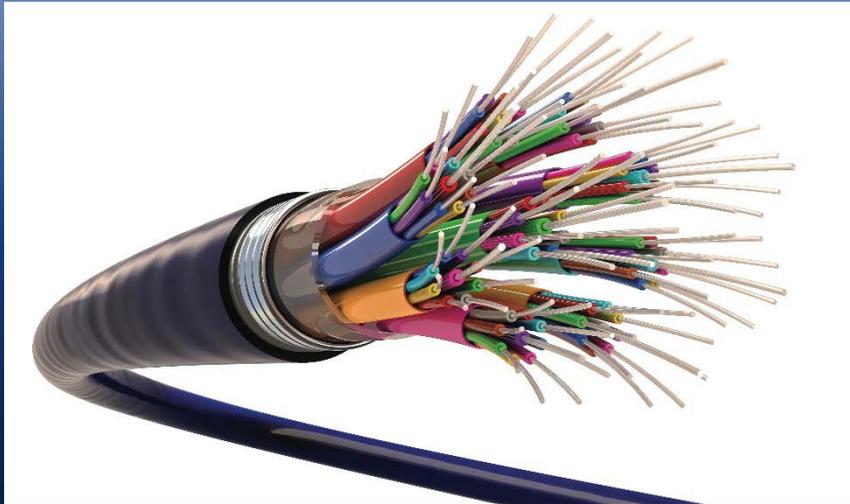


CITYWIDE CAPITAL IMPROVEMENT PROGRAM (CIP)



CAPITAL IMPROVEMENT PROGRAM

- Municipal Facilities Plan
- SCADA Upgrades
- Roundabout Improvements
- Fiber Ring
- Seawall Replacement
- Churchland Bridge Replacement
- County Street Garage
- Olde Towne Storm water Pump Station
- Downtown Storm water Park
- Court/Green Street Project

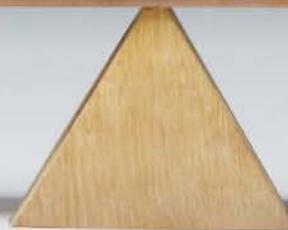




FUTURE OUTLOOK

NO!

**REAL ESTATE TAX
RATE INCREASE**

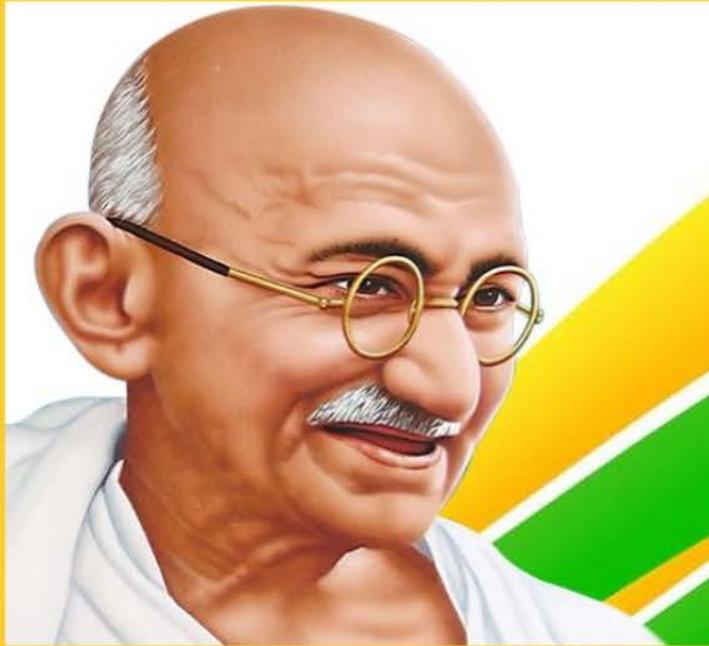




**City Manager J.P. Jervey
1921**



**City Manager L. Pettis Patton
2021**



“The future depends on what you do today.”

Mahatma Gandhi

A large, stylized graphic of a wave or fan shape, composed of multiple overlapping, curved segments in a lighter shade of blue, set against a dark blue background. The graphic is centered horizontally and partially overlaps the text below it.

FUTURE
Outlook

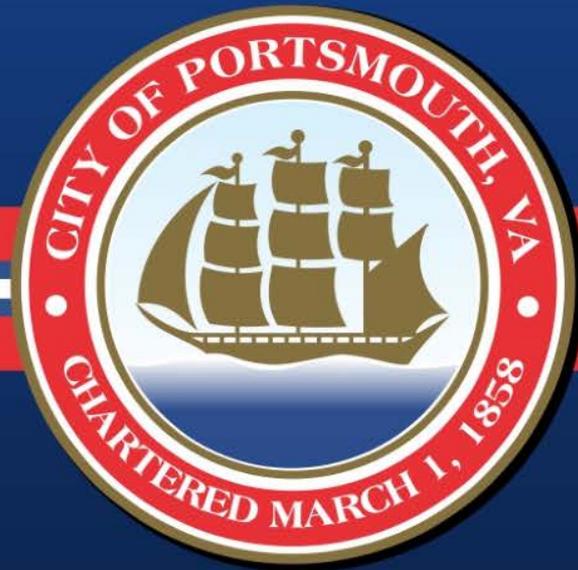
A photograph of a sailboat on the ocean at sunset. The sky is a gradient of orange and red, and the water is a deep blue with white foam from the boat's wake. The boat's deck and rigging are visible in the foreground.

Compass & Sails

**...remain set toward
re-imagining the
“New Portsmouth.”**

KEY BUDGET DATES

- April 13:** City Council Public Work Session
- April 14:** Public Hearing on FY2021
Proposed Operating & CIP Budget
- April 27:** City Council Work Session
- April 28:** Public Hearing on FY2021
Proposed Operating & CIP Budget
including Tax & Appropriation Ordinances.
- May 11:** City Council Work Session
- May 12:** Adoption of FY2021 Operating & CIP Budget
including Tax & Appropriation Ordinances.
- May 21:** School Board Budget Adoption



Visit PortsmouthVa.gov
for the **FY 2021 Proposed Operating & Capital Budget**